

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 2270 - HB 2514**

February 26, 2022

**SUMMARY OF BILL:** Authorizes a special occasion licensee to designate an area in which liquor-by-the-drink licensees may sell alcoholic beverages and beer to patrons who consume the alcoholic beverages and beer in the designated area. Requires a festival operator to create a list of participating establishments that will sell alcoholic beverages and beer to patrons in the designated area of the festival. Allows patrons to cross state lines, within the festival, with alcoholic beverages or beer if the contiguous state has approved the open carrying of alcoholic beverages and beer for personal consumption. Increases the maximum number of special occasion licenses that can be issued to an entity in a calendar year from 12 to 16.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$20,400/FY22-23 and Subsequent Years**  
**/ABC Fund**

Assumptions:

- The fee for the special occasion license is \$100 a day and the fee for a festival license is \$1,000 a day.
- The proposed legislation is estimated to cause at least one entity to apply for festival licenses and special occasion licenses.
- For the purpose of this analysis, it is assumed the entity will utilize all 16 available licenses.
- The increase in state revenue coming from an entity that puts on festivals as a result of this legislation is estimated to exceed \$17,600 [(\$100 x 16) + (\$1,000 x 16)].
- Currently seven licensees are at the cap of obtaining 12 special occasion licenses in a calendar year. For the purposes of this analysis, it is assumed all seven licensees will obtain 16 total special occasion licenses; therefore, each licensee will obtain 4 more special occasion licenses.
- The increase in state revenue coming from increasing the cap on special occasion licenses is estimated to be \$2,800 (\$100 x 4 special occasion licenses x 7 licensees).
- The total increase in state revenue to the Alcoholic Beverage Commission is estimated to exceed \$20,400 (\$17,600 + \$2,800) in FY22-23 and subsequent years.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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